# HOUSE BILL REPORT HB 2701

## As Reported By House Committee On:

Health Care

**Title:** An act relating to establishing utilization review and disclosure standards for outpatient mental health services.

**Brief Description:** Establishing utilization review and disclosure standards for outpatient mental health services.

**Sponsors:** Representatives Van Luven, Cody, Skinner, Anderson, Dyer, Ogden, Dickerson, Mason and Wood.

## **Brief History:**

## **Committee Activity:**

Health Care: 1/30/98, 2/3/98 [DPS].

#### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Skinner, Vice Chairman; Cody, Ranking Minority Member; Murray, Assistant Ranking Minority Member; Anderson; Conway; Parlette; Wood and Zellinsky.

Minority Report: Do not pass. Signed by 1 member: Representative Sherstad.

**Staff:** Bill Hagens (786-7131).

**Background:** As private and public purchasers have placed increasing pressure on health carriers to control costs, utilization review (UR) of health services has emerged as a common tool to determine appropriateness. Although state law defines UR as the prospective, concurrent, or retrospective assessment of the necessity and appropriateness of the allocation of health care resources and services of a provider or facility, given or proposed to be given to an enrollee or group of enrollees,— there is no uniform statutory UR requirement for carriers. Proponents of this measure feel that UR access to mental health information needs to be regulated.

**Summary of Substitute Bill:** Carriers that cover outpatient mental health services are restricted to specific information on the covered person when conducting a utilization review or service audit. Distributed health plan material must include a variety of

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information on coverage and carrier operations. Health carriers must comply with these provisions whether they administer coverage directly or through a contract.

**Substitute Bill Compared to Original Bill:** The definition of necessary information—is deleted. Plan information requirements are clarified.

**Appropriation:** None.

**Fiscal Note:** Not requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Restrictions are needed to protect against the inappropriate release of sensitive information.

**Testimony Against:** None

**Testified:** Representative Steve Van Luven, prime sponsor; Lucy Homans, Washington State Psychological Association; Laura Groshong, Society of Clinical Social Workers; and Ann Simonds, Washington Association for Marriage & Family Therapy.

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